

## BEFORE THE IDAHO BOARD OF TAX APPEALS

IN THE MATTER OF THE APPEAL OF WALT ) APPEAL NOS. 07-A-2191  
UHLENHOFF from the decision of the Board of ) FINAL DECISION  
Equalization of Ada County for tax year 2007. ) AND ORDER

### RESIDENTIAL PROPERTY APPEAL

THIS MATTER came on for hearing November 27, 2007 in Boise, Idaho before Hearing Officer Steven Wallace. Board Members Lyle R. Cobbs, David E. Kinghorn and Linda S. Pike participated in this decision. Appellant Walt Uhlenhoff appeared at hearing. Chief Deputy Appraiser Tim Tallman and County Appraisers Rick Stolz and Diana Landers appeared for Respondent Ada County. This appeal is taken from a decision of the Ada County Board of Equalization (BOE) modifying the protest of valuation for taxing purposes of property described as Parcel No. R7569870030.

**The issue on appeal is the market value of a four-plex.**

**The decisions of the Ada County Board of Equalization is modified.**

#### FINDINGS OF FACT

The assessed land value is \$150,000, and the improvements' valuation is \$195,270, totaling \$345,270. Appellant requests the land value be reduced to \$96,000, and the improvements' value be increased to \$224,000, totaling \$320,000. The assessed value of the improvements were reduced by the BOE from \$255,000 to \$195,270.

The subject property is a four-plex with carports located on .22 acre in the Boise Bench area. The rental property was built in 1988 and has 3,360 square feet. Subject has four (4) units each 2-bedroom, 1-bath. Appellant testified subject was purchased in September of 2003 for \$235,000.

Appellant calculated the average purchase price of four-plexes was \$95 per square foot.

The analysis relied on information from the Intermountain MLS covering 54 sales which took place between January 1, 2006 and June 20, 2007. A set of 39 sales indicated an average per square foot of \$93. Fifteen additional sales took place between July 2006 and June 2007 and indicated an average price per square foot of \$96. Appellant maintained most of the sales were larger and newer than subject and some had more bathrooms.

Appellant commented on the three (3) comparable sales relied on by the County. The first two (2) properties were smaller, nice brick four-plexes located on a cul-de-sac. The properties were adjacent to one another. The price per square foot of these sales was about \$112. Appellant maintained these sales should be considered as one (1) comparable or indicator. The third County comparable (four-plex) sold for \$94 per square foot.

Appellant submitted MLS sheets for five (5) additional four-plex sales. All were located on the Boise Bench within two (2) miles of subject. Two (2) sold in 2006 for \$95.53 and \$98.09 per square foot. Four (4) sales closed in 2007 at \$81.82, \$79.23 and \$93.53 per square foot. Appellant noted three (3) of the sales that closed in 2007 were pending in 2006. Therefore it was maintained they were representative of 2006 values. Appellant noted all the four-plexes sold for price indicating under \$100 per square foot, and the average was \$95 per square foot. Appellant believed the average price per square foot was the fair way to assess property.

In noting the early 2006 sale dates reflected in the County's appraisal, Appellant maintained values decreased during the 2006 year. Respondent noted the square footage of the sale properties presented by Appellant all exceeded the size of subject. The Assessor noted as square footage increases, the price per square foot typically decreases.

The County described the subject and the three (3) comparable sales it considered. Adjustments were made to the sales for differences from subject in square footage and car

storage. The adjusted sale prices indicate a value for subject of \$359,536.

The Appraiser also submitted what it characterized as an income approach. The average gross rent multiplier (GRM) of all sales was stated to be 161.06. By applying the lowest GRM from the comparable sales (156.64) to the monthly rent of subject, a value of \$357,038 was indicated.

A county location map included subject and the sale properties. A another map of subject and its neighboring lots indicated the individual assessed land values for the area.

The Assessor opined that an average of four-plex sale prices did not take into consideration the many variables among the individual properties. These included square footage, bedroom and bathroom counts, car storage, year built and condition which are not individually recognized in an average.

#### CONCLUSIONS OF LAW

This Board's goal in its hearings is the acquisition of sufficient, accurate evidence to support a determination of fair market value. This Board, giving full opportunity for all arguments and having considered all testimony and documentary evidence submitted by the parties in support of their respective positions, hereby enters the following.

In this case the Appellant requests the improvement's value be increased and the land component value decreased. Subject's land assessment increased quite sharply in tax year 2007 to \$150,000. The improvements' value actually decreased slightly after the BOE reduction. Appellant did not clearly address the basis for his allocation of total value between land and improvements. Neither party presented comparable land sales in this appeal.

The County presented multiple approaches to value on subject. However the supporting data was not always presented in detail. Both parties did present sales evidence of improved

four-plex properties. They approached the question of subject's market values differently. The Board finds there is some merit and probative value associated with the evidence of both parties. The Board finds factoring in Appellant's large body of price evidence and the associated analysis warrants a reduction in value.

The significant increase in subject's land value for 2007 was not well supported. Neither party presented a well supported case for the proper allocation of value between land and improvements.

For the purposes of deciding this appeal and correcting subject's determined over-assessment, the Board will order a reduction in subject's 2007 assessed land value. We believe this is a suitable place to make an adjustment. The subject site was smaller than two (2) lots in the same development but had the same assessed value. Subject's land value will be reduced to \$130,000, providing a total value for subject of \$325,270. The decision of the Ada County Board of Equalization will therefore be modified.

#### FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decision of the Ada County Board of Equalization concerning the subject parcel be, and the same hereby is, modified to reflect a decrease in the land value to \$130,000. There is no change ordered to the improvements' value.

IT IS FURTHER ORDERED that any taxes which have been paid in excess of those determined to have been due be refunded or applied against other *ad valorem* taxes due from Appellant.

MAILED May 1, 2008